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Chairman Towns Dismisses Republican Efforts to Mislead Federal Employees on Health Care Reform Legislation

Washington, DC – Chairman Edolphus “Ed Towns (D-NY) today released a letter that denounces efforts by committee Republicans to spread misinformation about the effects of proposed health care legislation on federal employees. Republicans are launching a baseless attack on H.R. 3962, the “Affordable Health Care for America Act, as the House nears a vote on this monumental legislation.

Chairman Towns is a strong supporter of H.R. 3962 and proudly supports the provisions included in the health care legislation that are within the committee’s jurisdiction. In his letter to the full House Oversight and Government Reform Committee, the Chairman sets the record straight.

“Under the health care legislation before the House, federal employees will remain in their current system. Federal employees who are happy with their health care coverage can choose to keep that coverage. The bill includes a provision that provides Members of Congress with the option of choosing the public health insurance plan, or keeping their private insurance group plan offered through the FEHBP.

“Any suggestion that federal employees may be forced out of insurance coverage and subjected to an additional tax is patently false and has no basis in the text of the bill.

“Unfortunately, Republicans are more interested in raising baseless concerns about the legislation to scare federal employees, and attempting to delay reform by calling for unnecessary hearings, than they are in offering solutions to fix the health care system.

A copy of the letter from Chairman Towns is included below.

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Dear Colleagues:

I am responding to the recent letter from the Committee minority about the effect of proposed health care legislation on federal employees.

The Federal Employee Health Benefits Plan (FEHBP) provides health care coverage to over 8 million federal employees, retirees, and their families. For decades, FEHBP has been a model health care plan because it provides a range of affordable health care choices to its participants. In fact, FEHBP was used to guide the authors of health care reform legislation, and much of its structure is evident in H.R. 3962, the "Affordable Health Care for America Act.

H.R. 3962 does not make any statutory changes to the Federal Employee Health Benefits Program (FEHBP). Under this bill, federal employees will remain in their current system, and will also benefit from the same improvements to health insurance plans that all other Americans will enjoy, such as ending copayments for preventative medicine and automatic enrollment. Under the Act, FEHBP would be treated like any other employer-sponsored health plan, and subject to the conditions for coverage and affordability required by the bill. However, because FEHBP plans largely already satisfy these requirements, the impact on the overall program will be minimal. Any suggestion that federal employees may be forced out of insurance coverage and subjected to an additional tax is false and has no basis in the text of the bill.

The portions of the bill in this Committee's jurisdiction include the accountability provisions, such as establishing an Inspector General to audit and investigate potential fraud in the system and ensuring transparency for contracts and advisory commissions on health care issues. I am pleased to report that the latest version of this bill includes stronger language on these issues than the original bill, H.R. 3200, due to the cooperative work of our committee with other committees of jurisdiction.

Because the concerns raised in the minority's letter are unfounded and the letter offers no suggestions for improvements, I see no cause for delay as the House prepares to move forward with much-needed improvements to the health care system.

Sincerely,

Edolphus Towns
Chairman